

Undersecretary of State for Political Affairs Wendy Sherman
Interview for Radio Liberty and Voice of America, March 19, 2013

RL: Ambassador Sherman, you've had meetings today with Ukrainian officials. What have you discussed and what are the results of those discussions?

Undersecretary Sherman: I am very pleased to be here, in Ukraine, in Kyiv. As I told the officials today, my grandmother on my mother's side was born in Pereyaslav. So, part of me feels like I've come home. I've been here before in the past, but it's been many years, and the explosion of a great city, a vibrant culture, and the potential for a terrific future is very evident here, in Ukraine.

My discussion today with the Prime Minister and the Foreign Minister – I look forward very much to seeing the President tomorrow – as well as business leaders and opposition leaders, and women's caucus leaders [show] that there is the potential for a great future for Ukraine, because Ukraine is already a strong and important country. And the United States values our relationship with Ukraine. We are strong believers in Ukraine becoming a part of the European Union and having European Union integration. And we know that we are coming up upon a deadline for signing, in Vilnius, and the European Union has been in many discussions with Ukraine and asked for political reforms to end selective prosecution, to, indeed, make sure that all of the elements that the Ukraine Government wants for itself to be a vibrant democratic market economy are in place. I was in the private sector for a long time, before I came back into government, and I know people want to invest here, they just want to make sure that investment will be safe, secure, and will meet international norms. And so, that is what I hope for Ukraine, and that was the discussion today.

RL: Did you discuss Tymoshenko case and other politically motivated cases?

Undersecretary Sherman: I certainly did. This is not only [something] that the European Union has pointed to, but this is something of great concern to the American Government. It's very important that there be due process, that there be a rule of law, that political opponents do not face what we term selective prosecution. I know there are differences about this, but there is very strong feeling in the United States and in Europe that justice has not been done in these cases. And so, we look forward to consideration of taking some steps to try to find solutions to these very, very difficult cases.

RL: [inaudible] that the U.S. ruled out application of sanctions to Ukraine at this stage. However, a number of U.S. Senators believe that so-called "punitive actions" should be taken against some Ukrainian authorities related to selective prosecution. Is the U.S. Government ready to change its policy in this sphere?

Undersecretary Sherman: Right now we believe that direct engagement is most important. It is why I am here – to talk directly with Ukrainians about Ukraine's future – Ukraine as a sovereign country, with territorial integrity, fully capable of making good decisions for itself. And the United States, as a partner – we have a Strategic Partnership Commission and our Working Groups are hard at work – as a partner and as a friend, we want Ukraine to be all that it can be. And so, we believe in direct engagement. The United States Senate did pass a resolution. That particular resolution is non-binding. That means it doesn't have the force of law. It urges the executive branch to do something, but does not require it to. But I think the strength of the vote from the Senators sends a message that we are quite concerned about selective prosecution, and we fervently hope that the government will address this issue.

RL: As you've said before, Ambassador Sherman, the U.S. and European Union are worried about what is called democratic regress taking place in Ukraine. On this issue, will the United States Government continue its support to Ukrainian communities, to NGOs, and civil society?

Undersecretary Sherman: We think that the pluralism here in Ukraine is very important. Civil society is very important. Insuring that journalists, like yourself, have freedom to speak, and that all of the views of all of the

people of Ukraine are heard. Ukraine is very interesting in that there are many parties here, and there is vigorous democracy. I know that sometimes that even means fights on the floor of the Rada. So, I think that democracy is evolving here and maturing in Ukraine. And it's very important that, as democracy matures, that all voices can be heard, that there is rule of law, that people know what to expect and their rights are protected. And I am hopeful that the government will move forward even faster in this direction.

And I would note that the Foreign Minister is also Chair of OSCE, which is a very important international organization that looks at all forms of security, including human security and human rights. And I think that's very important – Ukraine has a great opportunity to show the world that it is a true democracy.

RL: Ambassador Sherman, what do you think – do you expect the Secretary of State, Mr. John Kerry to visit Ukraine? Do you think U.S. leaders plan to pay visits to Ukraine as well in the nearest future? And, in this case, maybe you will lead some [inaudible] of the authorities in Washington?

Undersecretary Sherman: Well, Secretary Kerry asked me to come to Ukraine, as the Undersecretary for Political Affairs and number three in the Department of State. And to have these conversations, as we try to build and strengthen our relationship. There aren't any current plans for Secretary Kerry to come himself, but I hope that the Foreign Minister and the Secretary can meet some time in the near future.

RL: What's your opinion: does the United States still believe Ukraine is one of strategic partners for Washington?

Undersecretary Sherman: We do indeed have a Strategic Partnership Commission. The Working Groups have been meeting and working. Ukraine is valued in all of its efforts in Afghanistan, in Cote d'Ivoire, in Iraq – in so many parts of the world Ukraine has played a very important role in the security of the world. So, we look forward to partnering into the future, just as a good friend we tell Ukraine directly about the ways in which we hope Ukraine will mature even further as a democracy. So that people of Ukraine have all of the benefits and all of the prosperity that are possible.

RL: This summer a new ambassador of the United States has to come to Ukraine. What directions, what spheres are to be the most important and most interesting during his tenure here in Ukraine?

Undersecretary Sherman: I think Ukraine should take our ambassadors as a sign of the importance of this country. Our current ambassador, Ambassador John Tefft, is one of the most senior and experienced ambassadors that we have. And I know he is completely devoted to Ukraine in being a good friend, which means to help and support and assist, and from time to time to tell truths which are sometimes difficult to hear. We are very excited that when Ambassador Tefft finishes his time here in Ukraine, he will be followed, if confirmed by the United States Senate, by Ambassador Geoffrey Pyatt. I've known Geoff Pyatt for some time. He is a star in the American Foreign Service. He is a very seasoned diplomat. I know he will continue the policies of the Obama Administration to build and strengthen our relationship with Ukraine, to support Ukraine to, as I've said earlier, maturing its democracy, so that prosperity is assured for the people of Ukraine.

RL: Ambassador Sherman, as you know, former Prime Minister of Ukraine, Mr. Pavlo Lazarenko, served a sentence in the United States. What are his prospects for the future – are you expecting him to stay in the United States, or does he need to leave the country?

Undersecretary Sherman: It's under U.S. law: one doesn't talk about the status of individual citizens. So, it'd be inappropriate for me to comment on this in this public way.

RL: As you know, leaders of the Ukrainian opposition during their visits to the West – I mean Mr. Klitchko and leaders of Batkivshchyna – they called on Western politicians to make a so called "Magnitsky-like black list" of the Ukrainian officials related to politically motivated cases. What Washington is prepared to do on this?

Undersecretary Sherman: We are always very glad to meet with leaders of Ukraine. And I will be having dinner with opposition leaders this evening. And we always listen hard to their suggestions and their thought about the best ways to support Ukraine to move forward. As I said earlier, right now we believe direct engagement is the best way forward – with all parties and all parts of Ukrainian society.

RL: The International Intellectual Property Alliance recommends that the United States immediately suspend Ukraine's eligibility to continue trade benefits due to intellectual piracy – copyright protection, you know. Is it the decision of the U.S. Government as well?

Undersecretary Sherman: Well, right now, Ukraine is on a special watch list – it's called "Special 301". But what's important for your viewers and for your listeners to know is that we are very concerned about intellectual property protections here in Ukraine. And because Ukraine wants a vibrant business presence and investment, protecting intellectual property is crucial -- not only for foreign direct investment, but it's also crucial for companies that start here in Ukraine, because they want to make sure that whatever they create is protected, and somebody can't steal their secrets. And so, we hope that Ukraine will take steps to insure that they meet international standards around intellectual property protections, and we will be providing whatever technical assistance we can and watching to see what Ukraine will do.

RL: The Government of Ukraine has proposed to the World Trade Organization the change of its tariffs for 370 goods, I think. How serious is it for the world economy and how serious is the threat of sanctions against Ukraine, if its government will proceed to change tariffs?

Undersecretary Sherman: It is very important, and it's part of the European integration, to make sure that the rules and norms here in Ukraine are consistent with international norms and international business practices. So indeed where the WTO is concerned, I think there's some question about whether what Ukraine has called for is actually allowed under the WTO. We have concerns about this Article 28 action, as it's called, and hope that Ukraine will think further about pursuing this option.

RL: The United States is doing its best to help Ukraine in its energy sector reforms. At present, Ukrainian Government is in negotiations with Russia concerning reduction in gas prices. Russia wants to create a so called gas consortium between Gazprom and Naftohaz without participation of any European company. What will be the influence of this new potential situation on the international energy market and international energy security?

Undersecretary Sherman: There is no question that energy security is important to every country. And insuring a strong energy supply is something that we all want. And, in fact, at the OSCE, energy security is a priority, as Ukraine's chairmanship proceeds, and we think that makes a lot of sense. We know that Ukraine is looking at its negotiations with Russia, it's looking, as the Prime Minister, I believe, announced today, whether there ought to be a tripartite effort with the EU and Russia. We know that Ukraine has worked on its energy efficiency, on new forms of energy, both conventional and non-conventional – and that's what Carlos Pascual, who was once ambassador here in Ukraine and heads up our energy office at the Department of State, has been trying to help Ukraine come up with some new ideas for gas supplies that can help to bridge the need that you have here. So, I think there's a lot of work to be done in the energy security field, there are a lot of ways to get to the energy security at good prices for consumers that Ukraine desires and the United States looks forward to our continued conversations about that.

RL: The U.S. is the world leader in shale gas extraction. Does fracking have an impact on environment in the U.S. – because many companies and many politicians in Ukraine say that yes, it's dangerous for environment?

Undersecretary Sherman: As, I think, Ambassador Pascual has probably said when he's been here, we believe that environmental protections are absolutely critical to shale gas. There is a way to move forward in this

regard and make sure the environment is protected. It's important to protect the communities in which this exploration is done. There are ways to do that. I know that Ambassador Pascual has shared those ideas. We know that Chevron, ExxonMobil are looking to sign agreements with Ukraine. We hope that moves forward. All of these are elements that are part of an energy security program for the future.

RL: Ambassador Sherman, in general, what do you think about these protests taking place in Ukraine against shale gas extraction?

Undersecretary Sherman: Well, you know, we have protests in our country too. Protests are parts of a democracy. People have different points of view. I think that in our country everyone wants to get energy security. They just want to make sure it can be done safely for communities, for the environment, for the future. There is a lot of anxiety, and governments have a responsibility to address that anxiety and to address those environmental concerns and those community concerns.

RL: Ambassador Sherman, Ukraine is a big country with very special geopolitical position. Do you think that situation inside Ukraine, situation in politics and economy, influence the climate of regional security in this part of Europe?

Undersecretary Sherman: Ukraine is a large and important country. I think its chairmanship of the OSCE speaks to the fact that Ukraine is seen as a leader. And I think Ukraine has a great opportunity to show through this reform effort, its effort to sign the Association Agreement and Deep and Comprehensive Free Trade Agreement with the European Union, that it has become a modern democracy with all the rights and protections that citizens look for. I am delighted to be here. I wish I could be longer and go visit my grandmother's home town. I hope to do that next time, and I greatly appreciate this interview this evening.

